EDB Information Disclosure Requirements

Information Templates

for

Schedules 1–10

Company Name	Wellington Electricity Lines Limited
Disclosure Date	23 August 2022
Disclosure Year (year ended)	31 March 2022

Templates for Schedules 1–10 excluding 5f–5g

Template Version 4.1. Prepared 21 December 2017

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Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 1: ANALYTICAL RATIOS

This schedule calculates expenditure, revenue and service ratios from the information disclosed. The disclosed ratios may vary for reasons that are company specific and, as a result, must be interpreted with care. The Commerce Commission will publish a summary and analysis of information disclosed in accordance with the ID determination. This will include information disclosed in accordance with this and other schedules, and information disclosed under the other requirements of the determination.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

1(i): Expenditure metrics

		Expenditure per GWh energy delivered to ICPs ($/GWh)	Expenditure per average no. of ICPs ($/ICP)	Expenditure per MW maximum coincident system demand ($/MW)	Expenditure per km circuit length ($/km)	Expenditure per MVA of capacity from EDB-owned distribution transformers ($/MVA)
9	**Operational expenditure**	15,617	206	61,147	7,367	24,535
10	Network	7,322	97	28,668	3,454	11,503
11	Non-network	8,295	109	32,479	3,913	13,032
12						
13	**Expenditure on assets**	22,268	294	87,186	10,504	34,983
14	Network	21,242	280	83,171	10,020	33,372
15	Non-network	1,025	14	4,015	484	1,611

1(ii): Revenue metrics

		Revenue per GWh energy delivered to ICPs ($/GWh)	Revenue per average no. of ICPs ($/ICP)
19	**Total consumer line charge revenue**	70,127	925
20	Standard consumer line charge revenue	70,082	913
21	Non-standard consumer line charge revenue	73,871	142,341

1(iii): Service intensity measures

25	Demand density	120	*Maximum coincident system demand per km of circuit length (for supply) (kW/km)*
26	Volume density	472	*Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)*
27	Connection point density	36	*Average number of ICPs per km of circuit length (for supply) (ICPs/km)*
28	Energy intensity	13,184	*Total energy delivered to ICPs per average number of ICPs (kWh/ICP)*

1(iv): Composition of regulatory income

		($000)	% of revenue
32	Operational expenditure	35,404	22.17%
33	Pass-through and recoverable costs excluding financial incentives and wash-ups	60,770	38.05%
34	Total depreciation	27,711	17.35%
35	Total revaluations	47,174	29.54%
36	Regulatory tax allowance	10,743	6.73%
37	Regulatory profit/(loss) including financial incentives and wash-ups	72,262	45.24%
38	**Total regulatory income**	159,717	

1(v): Reliability

42	Interruption rate	9.99	*Interruptions per 100 circuit km*

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

This schedule requires information on the Return on Investment (ROI) for the EDB relative to the Commerce Commission's estimates of post tax WACC and vanilla WACC. EDBs must calculate their ROI based on a monthly basis if required by clause 2.3.3 of the ID Determination or if they elect to. If an EDB makes this election, information supporting this calculation must be provided in 2(iii).
EDBs must provide explanatory comment on their ROI in Schedule 14 (Mandatory Explanatory Notes).
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sch ref		CY-2	CY-1	Current Year CY
7	**2(i): Return on Investment**			
8		31 Mar 20	31 Mar 21	31 Mar 22
9	**ROI – comparable to a post tax WACC**	%	%	%
10	Reflecting all revenue earned	7.38%	4.37%	10.87%
11	Excluding revenue earned from financial incentives	7.51%	4.23%	10.74%
12	Excluding revenue earned from financial incentives and wash-ups	7.44%	4.19%	10.74%
13				
14	**Mid-point estimate of post tax WACC**	4.27%	3.72%	3.52%
15	25th percentile estimate	3.59%	3.04%	2.84%
16	75th percentile estimate	4.95%	4.40%	4.20%
17				
18				
19	**ROI – comparable to a vanilla WACC**			
20	Reflecting all revenue earned	7.81%	4.70%	11.17%
21	Excluding revenue earned from financial incentives	7.93%	4.57%	11.04%
22	Excluding revenue earned from financial incentives and wash-ups	7.87%	4.52%	11.04%
23				
24	**WACC rate used to set regulatory price path**	7.19%	4.57%	4.57%
25				
26	**Mid-point estimate of vanilla WACC**	4.69%	4.05%	3.82%
27	25th percentile estimate	4.01%	3.37%	3.14%
28	75th percentile estimate	5.37%	4.73%	4.50%
29				

30	**2(ii): Information Supporting the ROI**		($000)	
31				
32	Total opening RAB value	681,366		
33	*plus* Opening deferred tax	(43,163)		
34	**Opening RIV**		638,203	
35				
36	**Line charge revenue**		158,977	
37				
38	Expenses cash outflow	96,174		
39	*add* Assets commissioned	43,038		
40	*less* Asset disposals	–		
41	*add* Tax payments	7,728		
42	*less* Other regulated income	739		
43	**Mid-year net cash outflows**		146,201	
44				
45	**Term credit spread differential allowance**		–	
46				
47	Total closing RAB value	743,607		
48	*less* Adjustment resulting from asset allocation	(259)		
49	*less* Lost and found assets adjustment	–		
50	*plus* Closing deferred tax	(46,178)		
51	**Closing RIV**		697,689	
52				
53	**ROI – comparable to a vanilla WACC**			11.17%
54				
55	Leverage (%)			42%
56	Cost of debt assumption (%)			2.55%
57	Corporate tax rate (%)			28%
58				
59	**ROI – comparable to a post tax WACC**			10.87%
60				

Company Name	**Wellington Electricity Lines Limited**
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SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

This schedule requires information on the Return on Investment (ROI) for the EDB relative to the Commerce Commission's estimates of post tax WACC and vanilla WACC. EDBs must calculate their ROI based on a monthly basis if required by clause 2.3.3 of the ID Determination or if they elect to. If an EDB makes this election, information supporting this calculation must be provided in 2(iii).
EDBs must provide explanatory comment on their ROI in Schedule 14 (Mandatory Explanatory Notes).
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sch ref

2(iii): Information Supporting the Monthly ROI

63	**Opening RIV**	N/A

		Line charge revenue	Expenses cash outflow	Assets commissioned	Asset disposals	Other regulated income	Monthly net cash outflows
67	April						–
68	May						–
69	June						–
70	July						–
71	August						–
72	September						–
73	October						–
74	November						–
75	December						–
76	January						–
77	February						–
78	March						–
79	**Total**	–	–	–	–	–	–

81	**Tax payments**	N/A
83	**Term credit spread differential allowance**	N/A
85	**Closing RIV**	N/A
88	**Monthly ROI – comparable to a vanilla WACC**	N/A
90	**Monthly ROI – comparable to a post tax WACC**	N/A

2(iv): Year-End ROI Rates for Comparison Purposes

94	**Year-end ROI – comparable to a vanilla WACC**	10.77%
96	**Year-end ROI – comparable to a post tax WACC**	10.47%

98 ** these year-end ROI values are comparable to the ROI reported in pre 2012 disclosures by EDBs and do not represent the Commission's current view on ROI.*

2(v): Financial Incentives and Wash-Ups

102	Net recoverable costs allowed under incremental rolling incentive scheme	–	
103	Purchased assets – avoided transmission charge	–	
104	Energy efficiency and demand incentive allowance		
105	Quality incentive adjustment	1,180	
106	Other financial incentives	–	
107	**Financial incentives**		1,180
109	**Impact of financial incentives on ROI**		0.14%
111	Input methodology claw-back	–	
112	CPP application recoverable costs	–	
113	Catastrophic event allowance	–	
114	Capex wash-up adjustment	–	
115	Transmission asset wash-up adjustment	–	
116	2013–15 NPV wash-up allowance	–	
117	Reconsideration event allowance	–	
118	Other wash-ups	–	
119	**Wash-up costs**		–
121	**Impact of wash-up costs on ROI**		–

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 3: REPORT ON REGULATORY PROFIT

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref			($000)
7	**3(i): Regulatory Profit**		
8		**Income**	
9		Line charge revenue	158,977
10	*plus*	Gains / (losses) on asset disposals	–
11	*plus*	Other regulated income (other than gains / (losses) on asset disposals)	739
12			
13		**Total regulatory income**	159,717
14		**Expenses**	
15	*less*	Operational expenditure	35,404
16			
17	*less*	Pass-through and recoverable costs excluding financial incentives and wash-ups	60,770
18			
19		**Operating surplus / (deficit)**	63,542
20			
21	*less*	Total depreciation	27,711
22			
23	*plus*	Total revaluations	47,174
24			
25		**Regulatory profit / (loss) before tax**	83,005
26			
27	*less*	Term credit spread differential allowance	–
28			
29	*less*	Regulatory tax allowance	10,743
30			
31		**Regulatory profit/(loss) including financial incentives and wash-ups**	72,262
32			

			($000)	
33	**3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups**			
34		**Pass through costs**		
35		Rates	2,964	
36		Commerce Act levies	345	
37		Industry levies	589	
38		CPP specified pass through costs	–	
39		**Recoverable costs excluding financial incentives and wash-ups**		
40		Electricity lines service charge payable to Transpower	54,243	
41		Transpower new investment contract charges	874	
42		System operator services	–	
43		Distributed generation allowance	1,702	
44		Extended reserves allowance	–	
45		Other recoverable costs excluding financial incentives and wash-ups	53	
46		**Pass-through and recoverable costs excluding financial incentives and wash-ups**		60,770
47				

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SCHEDULE 3: REPORT ON REGULATORY PROFIT

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).
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sch ref

3(iii): Incremental Rolling Incentive Scheme

($000)

		CY-1 31 Mar 21	CY 31 Mar 22
Allowed controllable opex		–	–
Actual controllable opex		–	–
Incremental change in year			–

		Previous years' incremental change	Previous years' incremental change adjusted for inflation
CY-5	31 Mar 17	–	–
CY-4	31 Mar 18	–	–
CY-3	31 Mar 19	–	–
CY-2	31 Mar 20	–	–
CY-1	31 Mar 21	–	
Net incremental rolling incentive scheme			–
Net recoverable costs allowed under incremental rolling incentive scheme			–

3(iv): Merger and Acquisition Expenditure

($000)

Merger and acquisition expenditure	–

Provide commentary on the benefits of merger and acquisition expenditure to the electricity distribution business, including required disclosures in accordance with section 2.7, in Schedule 14 (Mandatory Explanatory Notes)

3(v): Other Disclosures

($000)

Self-insurance allowance	–

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2.
EDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

4(i): Regulatory Asset Base Value (Rolled Forward)

		for year ended	RAB 31 Mar 18 ($000)	RAB 31 Mar 19 ($000)	RAB 31 Mar 20 ($000)	RAB 31 Mar 21 ($000)	RAB 31 Mar 22 ($000)
10		**Total opening RAB value**	602,562	611,855	629,323	661,487	681,366
12	*less*	**Total depreciation**	28,765	26,323	26,844	28,013	27,711
14	*plus*	**Total revaluations**	6,590	9,069	15,920	10,048	47,174
16	*plus*	**Assets commissioned**	31,469	37,191	43,322	38,068	43,038
18	*less*	**Asset disposals**	–	–	–	–	–
20	*plus*	**Lost and found assets adjustment**	–	–	–	–	–
22	*plus*	**Adjustment resulting from asset allocation**	–	(2,469)	(234)	(224)	(259)
24		**Total closing RAB value**	611,855	629,323	661,487	681,366	743,607

4(ii): Unallocated Regulatory Asset Base

			Unallocated RAB * ($000)	Unallocated RAB * ($000)	RAB ($000)	RAB ($000)
29		**Total opening RAB value**		684,278		681,366
31	*less*	**Total depreciation**		27,779		27,711
33	*plus*	**Total revaluations**		47,375		47,174
35	*plus*	Assets commissioned (other than below)	43,038		43,038	
36		Assets acquired from a regulated supplier	–		–	
37		Assets acquired from a related party	–		–	
38		**Assets commissioned**		43,038		43,038
40	*less*	Asset disposals (other than below)	–		–	
41		Asset disposals to a regulated supplier	–		–	
42		Asset disposals to a related party	–		–	
43		**Asset disposals**		–		–
45	*plus*	**Lost and found assets adjustment**		–		–
47	*plus*	**Adjustment resulting from asset allocation**				(259)
49		**Total closing RAB value**		746,913		743,607

** The 'unallocated RAB' is the total value of those assets used wholly or partially to provide electricity distribution services without any allowance being made for the allocation of costs to services provided by the supplier that are not electricity distribution services. The RAB value represents the value of these assets after applying this cost allocation. Neither value includes works under construction.*

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SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2.
EDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

4(iii): Calculation of Revaluation Rate and Revaluation of Assets

54		CPI_4	1,142
55		CPI_4^{-4}	1,068
56		Revaluation rate (%)	6.93%

		Unallocated RAB *		RAB	
		($000)	($000)	($000)	($000)
60		Total opening RAB value	684,278		681,366	
61	*less*	Opening value of fully depreciated, disposed and lost assets	535		535	
63		Total opening RAB value subject to revaluation	683,742		680,830	
64		**Total revaluations**		47,375		47,174

4(iv): Roll Forward of Works Under Construction

			Unallocated works under construction		Allocated works under construction	
68		**Works under construction—preceding disclosure year**		25,317		25,317
69	*plus*	Capital expenditure	36,305		36,305	
70	*less*	Assets commissioned	43,038		43,038	
71	*plus*	Adjustment resulting from asset allocation			–	
72		**Works under construction - current disclosure year**		18,584		18,584
74		Highest rate of capitalised finance applied				3.50%

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SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2.
EDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

4(v): Regulatory Depreciation

		Unallocated RAB * ($000)	($000)	RAB ($000)	($000)
79	Depreciation - standard	23,853		23,853	
80	Depreciation - no standard life assets	3,925		3,858	
81	Depreciation - modified life assets	–		–	
82	Depreciation - alternative depreciation in accordance with CPP	–		–	
83	**Total depreciation**		27,779		27,711

4(vi): Disclosure of Changes to Depreciation Profiles

($000 unless otherwise specified)

	Asset or assets with changes to depreciation*	Reason for non-standard depreciation (text entry)	Depreciation charge for the period (RAB)	Closing RAB value under 'non-standard' depreciation	Closing RAB value under 'standard' depreciation
87	N/A				
88					
89					
90					
91					
92					
93					
94					

** include additional rows if needed*

4(vii): Disclosure by Asset Category

($000 unless otherwise specified)

		Subtransmission lines	Subtransmission cables	Zone substations	Distribution and LV lines	Distribution and LV cables	Distribution substations and transformers	Distribution switchgear	Other network assets	Non-network assets	Total	
99	**Total opening RAB value**	3,496	44,519	62,875	176,171	211,822	120,298	31,424	19,792	10,968	681,366	
100	*less* Total depreciation	169	1,846	2,652	4,587	8,999	4,309	1,778	463	2,908	27,711	
101	*plus* Total revaluations	245	2,701	4,683	12,648	14,538	8,310	2,092	1,196	760	47,174	
102	*plus* Assets commissioned	209	7,700	3,805	9,043	9,329	9,392	946	793	1,821	43,038	
103	*less* Asset disposals	–	–	–	–	–	–	–	–	–	–	
104	*plus* Lost and found assets adjustment	–	–	–	–	–	–	–	–	–	–	
105	*plus* Adjustment resulting from asset allocation	–	–	–	(259)	–	–	–	–	–	(259)	
106	*plus* Asset category transfers	–	–	–	–	–	–	–	–	–	–	
107	**Total closing RAB value**	3,782	53,075	68,712	193,016	226,690	133,691	32,683	21,318	10,641	743,607	
108												
109	**Asset Life**											
110	Weighted average remaining asset life	21	24	24	38	24	28	18	43	4		(years)
111	Weighted average expected total asset life	47	54	51	58	59	48	39	52	7		(years)

Company Name	**Wellington Electricity Lines Limited**
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SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). EDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref					
7	**5a(i): Regulatory Tax Allowance**				**($000)**
8		**Regulatory profit / (loss) before tax**			83,005
9					
10	*plus*	Income not included in regulatory profit / (loss) before tax but taxable	–	*	
11		Expenditure or loss in regulatory profit / (loss) before tax but not deductible	23	*	
12		Amortisation of initial differences in asset values	7,151		
13		Amortisation of revaluations	2,113		
14					9,287
15					
16	*less*	Total revaluations	47,174		
17		Income included in regulatory profit / (loss) before tax but not taxable	–	*	
18		Discretionary discounts and customer rebates	–		
19		Expenditure or loss deductible but not in regulatory profit / (loss) before tax	–	*	
20		Notional deductible interest	6,750		
21					53,923
22					
23		**Regulatory taxable income**			38,369
24					
25	*less*	Utilised tax losses	–		
26		Regulatory net taxable income			38,369
27					
28		Corporate tax rate (%)	28%		
29		**Regulatory tax allowance**			10,743
30					
31	*	Workings to be provided in Schedule 14			
32	**5a(ii): Disclosure of Permanent Differences**				
33		In Schedule 14, Box 5, provide descriptions and workings of items recorded in the asterisked categories in Schedule 5a(i).			
34	**5a(iii): Amortisation of Initial Difference in Asset Values**				**($000)**
35					
36		Opening unamortised initial differences in asset values	76,758		
37	*less*	Amortisation of initial differences in asset values	7,151		
38	*plus*	Adjustment for unamortised initial differences in assets acquired	–		
39	*less*	Adjustment for unamortised initial differences in assets disposed	–		
40		Closing unamortised initial differences in asset values			69,607
41					
42		Opening weighted average remaining useful life of relevant assets (years)			11
43					

Company Name	**Wellington Electricity Lines Limited**
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SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). EDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref				
44	**5a(iv): Amortisation of Revaluations**			**($000)**
45				
46		Opening sum of RAB values without revaluations	601,354	
47				
48		Adjusted depreciation	25,598	
49		Total depreciation	27,711	
50		Amortisation of revaluations		2,113
51				
52	**5a(v): Reconciliation of Tax Losses**			**($000)**
53				
54		**Opening tax losses**	–	
55	*plus*	Current period tax losses	–	
56	*less*	Utilised tax losses	–	
57		**Closing tax losses**		–
58	**5a(vi): Calculation of Deferred Tax Balance**			**($000)**
59				
60		**Opening deferred tax**	(43,163)	
61				
62	*plus*	Tax effect of adjusted depreciation	7,167	
63				
64	*less*	Tax effect of tax depreciation	8,525	
65				
66	*plus*	Tax effect of other temporary differences*	300	
67				
68	*less*	Tax effect of amortisation of initial differences in asset values	2,002	
69				
70	*plus*	Deferred tax balance relating to assets acquired in the disclosure year	–	
71				
72	*less*	Deferred tax balance relating to assets disposed in the disclosure year	–	
73				
74	*plus*	Deferred tax cost allocation adjustment	45	
75				
76		**Closing deferred tax**		(46,178)
77				
78	**5a(vii): Disclosure of Temporary Differences**			
79		*In Schedule 14, Box 6, provide descriptions and workings of items recorded in the asterisked category in Schedule 5a(vi) (Tax effect of other temporary differences).*		
80				
81	**5a(viii): Regulatory Tax Asset Base Roll-Forward**			
82				**($000)**
83		**Opening sum of regulatory tax asset values**	376,345	
84	*less*	Tax depreciation	30,447	
85	*plus*	Regulatory tax asset value of assets commissioned	43,241	
86	*less*	Regulatory tax asset value of asset disposals	–	
87	*plus*	Lost and found assets adjustment	–	
88	*plus*	Adjustment resulting from asset allocation	(97)	
89	*plus*	Other adjustments to the RAB tax value	–	
90		**Closing sum of regulatory tax asset values**		389,041

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For Year Ended	**31 March 2022**

SCHEDULE 5b: REPORT ON RELATED PARTY TRANSACTIONS

This schedule provides information on the valuation of related party transactions, in accordance with clause 2.3.6 of the ID determination.
This information is part of audited disclosure information (as defined in clause 1.4 of the ID determination), and so is subject to the assurance report required by clause 2.8.

sch ref

5b(i): Summary—Related Party Transactions

	($000)	($000)
Total regulatory income		–
Market value of asset disposals		–
Service interruptions and emergencies	–	
Vegetation management	–	
Routine and corrective maintenance and inspection	1,530	
Asset replacement and renewal (opex)	–	
Network opex		1,530
Business support	4,838	
System operations and network support	5,417	
Operational expenditure		11,786
Consumer connection	1,047	
System growth	496	
Asset replacement and renewal (capex)	1,677	
Asset relocations	112	
Quality of supply	53	
Legislative and regulatory	–	
Other reliability, safety and environment	32	
Expenditure on non-network assets		475
Expenditure on assets		3,892
Cost of financing		–
Value of capital contributions		–
Value of vested assets		–
Capital Expenditure		3,892
Total expenditure		15,678
Other related party transactions		–

5b(iii): Total Opex and Capex Related Party Transactions

Name of related party	Nature of opex or capex service provided	Total value of transactions ($000)
International Infrastructure Services Company Limited - NZ Branch (IISC)	Routine and corrective maintenance and inspection	1,530
International Infrastructure Services Company Limited - NZ Branch (IISC)	Business support	4,737
International Infrastructure Services Company Limited - NZ Branch (IISC)	System operations and network support	5,417
International Infrastructure Services Company Limited - NZ Branch (IISC)	Other reliability, safety and environment	32
International Infrastructure Services Company Limited - NZ Branch (IISC)	Consumer connection	1,047
International Infrastructure Services Company Limited - NZ Branch (IISC)	Asset replacement and renewal (capex)	1,677
International Infrastructure Services Company Limited - NZ Branch (IISC)	Quality of supply	53
International Infrastructure Services Company Limited - NZ Branch (IISC)	System growth	496
International Infrastructure Services Company Limited - NZ Branch (IISC)	Asset relocations	112
International Infrastructure Services Company Limited - NZ Branch (IISC)	Expenditure on non-network assets	19
CHED Services Pty Limited	Expenditure on non-network assets	456
Cheung Kong Infrastructure Holdings Limited	Business support	86
Enviro (NZ) Limited	Business support	16
Total value of related party transactions		15,678

** include additional rows if needed*

Related Party Disclosure Supporting Documentation:

ID clause 2.3.8
Consistent with disclosure S5b, WELL transacts with the following related parties:
International Infrastructure Services Company Limited - NZ Branch (IISC) - Provides front and back office services to utility providers. These include asset management, financial and commercial operations, regulation, project management, network operations, information technology and quality, safety and environment management.
Cheung Kong Infrastructure Holdings Limited – A global infrastructure company with diversified investments in energy infrastructure, transportation infrastructure, water infrastructure, waste management, waste-to-energy, household infrastructure and other infrastructure related business.
CHED Services PTY Limited – CHED services provide specialist corporate and metering services for a number of clients. These services include: finance and tax, company secretarial and legal, human resources, corporate affairs, regulation, customer services, information technology and office administration.
Enviro (NZ) Limited – Provides innovative, safe and sustainable resource recovery and management.

The relationships between the companies are as follows:
Same ultimate beneficial owners
- IISC
- Cheung Kong Infrastructure Holdings Limited
- Enviro (NZ) Limited

Controlling shareholder in common
- CHED Services PTY Limited

The total annual expenditure between WELL and the related parties can be seen in S5b

ID Clause 2.3.10 and 2.3.11
Current policy for the procurement of goods and services from a related party

It is envisaged that Wellington Electricity may procure goods and services from related party companies when it is economically and commercially viable for both the company and its customers. Wellington Electricity will ensure when entering into a third party relationship that it complies with relevant laws and regulations. As a result Wellington Electricity has the following guidance in place for material transactions involving related parties. This guidance is in place to mitigate the risk (actual and perceived) that the transactions are not arms-length.

Wellington Electricity shall not procure goods or services from a related party without either a third party independent benchmarking report or directly comparable quotes.

Costs and benefits may be compared in-house following the standard procurement process if the goods or services are the same or substantially similar to those offered by non-related parties.

If costs relating to the goods or services are not easily comparable with market information, a third party independent benchmarking report(s) must be provided by a reputable company with relevant experience to conduct a benchmarking report. This is to be used when there is limited information or comparability surrounding the goods or services being provided. This may be the case due to the limited size of the New Zealand market. This is extremely important as it ensures that consumers are not disadvantaged by any transaction.

Further efficiencies may be gained by entering into long term contracts, these must be reviewed on a regular basis and have clauses for termination of the contract to avoid the economic benefits being eroded over time.

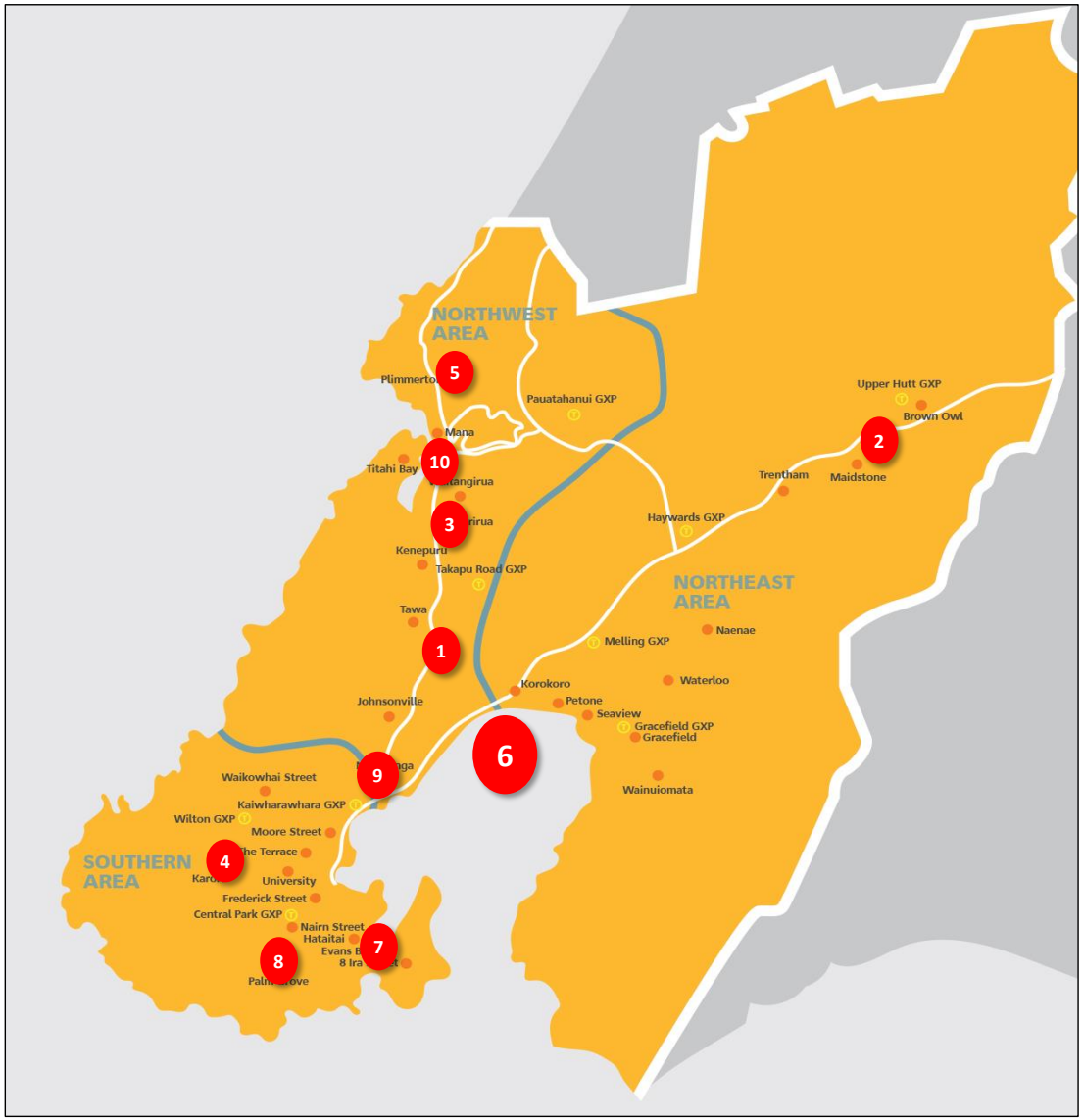
ID Clause 2.3.12
(1) When procuring from a related party Wellington Electricity will do either of the following:
a.) Put out a competitive tender for the goods or services which will be judged on subjective measures if there is an active market for the good or service; or
b.) Commission an independent third party to perform a benchmarking assessment over the goods or services being procured if the information is not readily available.
(2) Wellington Electricity does not have any policies or procedures that require or have the effect of requiring a consumer to purchase assets or goods or services from a related party.
(3) In 2019 the contract between Wellington Electricity and IISC was renegotiated after coming to the end of its initial three year term and renewal period. Since there was no active market for the services provided, the following benchmark tests were implemented:
a.) Commissioned a benchmarking report from KPMG on contractor margins to test that costs were at market rates;
b.) Analysis of Lines Company costs contained in the PwC Electricity Lines Business Information Disclosure Compendium to see that the cost of the business support service were aligned with other New Zealand networks
c.) Reviewed IISC labour rates against other third party providers to test that labour rates were at market levels.
The benchmarking is used to assess contract rates, ensure the related party transaction is at arms length and representative of a market price. A benchmarking report is obtained as part of contract re-negotiations.
(4) The arm's length nature is determined through the use of independent benchmarking reports and other benchmarking tests. This was performed in 2019 as part of the contract re-negotiation process.
(5) Wellington Electricity does not consider the procurement of assets or goods or services from a related party to differ significantly between expenditure categories.

Related Party Disclosure Supporting Documentation for ID clause 2.3.13 and 2.3.14

- WELL does not have any operating expenditure projects
- WELL's largest 10 capex projects by cost are (as provided by the 2022 AMP):

Map refn	Project	Estimated Cost $000	Location	Timing	Constraint alleviated	AMP refn	Supply of assets, goods or services by related party
1	Build Grenada North Zone (GRN) Zone Sub supplied from first Takapu Road-Khandallah line section, upgrade 11 kV ties to supply Ngauranga and Johnsonville from GRN.	20,000	Porirua	2028-2030	The sustained peak load supplied by Johnsonville zone substation currently exceeds the N-1 capacity of the subtransmission circuits. Capacity and security will be managed operationally until the investment is complete.	8.5.4.3	Currently not indicated for supply by a related party
2	Maidstone Subtransmission Cable Replacement	17,400	Upper Hutt	2030-2032	Replacement of subtransmission cable based on health/criticality.	7.5.1	Currently not indicated for supply by a related party
3	A complete upgrade of the Porirua OR 33kV Cable, zone substation transformers and switchboard.	16,000	Porirua	2027-2028	The peak load supplied by Porirua zone substation exceeds the N-1 subtransmission circuit branch ratings for both winter and summer periods. Capacity and security will be managed operationally until the investment is complete.	8.5.4.3	Currently not indicated for supply by a related party
4	Karori Subtransmission Cable Replacement	12,000	Karori	2027-2029	Replacement of subtransmission cable based on health/criticality.	7.5.1	Currently not indicated for supply by a related party
5	Install a 33 kV bus, a second 24 MVA transformer and a second 11 kV bus section at Plimmerton.	8,000	Porirua	2029-2030	Security of supply risk as Plimmerton zone substation is supplied by a single subtransmission circuit. In addition, the forecast peak load at Plimmerton is expected to exceed the subtransmission N-1 rating by 2023 due to the limited capacity of the Mana-Plimmerton 11 kV bus tie. Capacity and security will be managed operationally until the investment is complete.	8.5.4.3	Currently not indicated for supply by a related party
6	Average cost of annual pole replacement programme	6,129	Across the entire network	Annual	Replacement and renewal of pole fleet based on the results of testing and the asset health and asset criticality indicators. Meets regulatory requirements in terms of managing tagged poles.	7.5.3.3	Currently not indicated for supply by a related party
7	Build 33 kV bus at Evans Bay zone substation	5,000	Southern Wellington Area	2020-2023	Evans Bay 1 33kV cable asset replacement - asset replacement required to maintain current reliability levels.	8.4.4.3	Currently not indicated for supply by a related party
8	Upgrade Palm Grove zone substation transformer capacity by replacing the existing with 36 MVA units	4,500	Southern Wellington Area	2025-2026	The sustained peak load supplied by Palm Grove zone substation currently exceeds the N-1 capacity of the sub transmission supply cables. Capacity and security will be managed operationally until the investment is complete.	8.4.4.3	Currently not indicated for supply by a related party
9	Upgrade Ngauranga zone substation transformer capacity by replacing the existing with 20 MVA units	4,500	Ngauranga/Newands	2025-2026	The sustained peak load supplied by Ngauranga zone substation currently exceeds the N-1 capacity of the sub transmission supply cables. Capacity and security will be managed operationally until the investment is complete.	8.5.4.3	Currently not indicated for supply by a related party
10	Reinforce 11 kV feeders to enable load transfer from Mana to Porirua and Plimmerton after these two zone substations.	4,000	Porirua	2027-2028	Improvement to supply security for the Mana zone substation.	8.5.4.3	Currently not indicated for supply by a related party

Network map of the 10 largest capital projects



Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 5c: REPORT ON TERM CREDIT SPREAD DIFFERENTIAL ALLOWANCE

This schedule is only to be completed if, as at the date of the most recently published financial statements, the weighted average original tenor of the debt portfolio (both qualifying debt and non-qualifying debt) is greater than five years.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5c(i): Qualifying Debt (may be Commission only)

Issuing party	Issue date	Pricing date	Original tenor (in years)	Coupon rate (%)	Book value at issue date (NZD)	Book value at date of financial statements (NZD)	Term Credit Spread Difference	Debt issue cost readjustment
N/A								
** include additional rows if needed*						–	–	–

5c(ii): Attribution of Term Credit Spread Differential

Gross term credit spread differential		–
Total book value of interest bearing debt		
Leverage	42%	
Average opening and closing RAB values		
Attribution Rate (%)		–
Term credit spread differential allowance		–

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5d(i): Operating Cost Allocations

		Value allocated ($000s)			
	Arm's length deduction	Electricity distribution services	Non-electricity distribution services	Total	OVABAA allocation increase ($000s)
Service interruptions and emergencies					
Directly attributable		5,320			
Not directly attributable				–	
Total attributable to regulated service		5,320			
Vegetation management					
Directly attributable		1,842			
Not directly attributable				–	
Total attributable to regulated service		1,842			
Routine and corrective maintenance and inspection					
Directly attributable		7,047			
Not directly attributable		1,233	28	1,261	
Total attributable to regulated service		8,280			
Asset replacement and renewal					
Directly attributable		1,157			
Not directly attributable				–	
Total attributable to regulated service		1,157			
System operations and network support					
Directly attributable		7,461			
Not directly attributable				–	
Total attributable to regulated service		7,461			
Business support					
Directly attributable		10,666			
Not directly attributable		679	30	709	
Total attributable to regulated service		11,345			
Operating costs directly attributable		33,492			
Operating costs not directly attributable	–	1,912	58	1,970	–
Operational expenditure		35,404			

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5d(ii): Other Cost Allocations

	($000)
Pass through and recoverable costs	
Pass through costs	
Directly attributable	3,897
Not directly attributable	–
Total attributable to regulated service	3,897
Recoverable costs	
Directly attributable	56,873
Not directly attributable	–
Total attributable to regulated service	56,873

5d(iii): Changes in Cost Allocations* †

Change in cost allocation 1

			($000) CY-1	($000) Current Year (CY)
Cost category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–

Rationale for change

Change in cost allocation 2

			($000) CY-1	($000) Current Year (CY)
Cost category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–

Rationale for change

Change in cost allocation 3

			($000) CY-1	($000) Current Year (CY)
Cost category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–

Rationale for change

** a change in cost allocation must be completed for each cost allocator change that has occurred in the disclosure year. A movement in an allocator metric is not a change in allocator or component.*

† include additional rows if needed

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 5e: REPORT ON ASSET ALLOCATIONS

This schedule requires information on the allocation of asset values. This information supports the calculation of the RAB value in Schedule 4.
EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any changes in asset allocations. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5e(i): Regulated Service Asset Values

	Value allocated ($000s) Electricity distribution services
Subtransmission lines	
Directly attributable	3,782
Not directly attributable	–
Total attributable to regulated service	3,782
Subtransmission cables	
Directly attributable	53,075
Not directly attributable	–
Total attributable to regulated service	53,075
Zone substations	
Directly attributable	68,712
Not directly attributable	–
Total attributable to regulated service	68,712
Distribution and LV lines	
Directly attributable	44,918
Not directly attributable	148,098
Total attributable to regulated service	193,016
Distribution and LV cables	
Directly attributable	226,690
Not directly attributable	–
Total attributable to regulated service	226,690
Distribution substations and transformers	
Directly attributable	133,691
Not directly attributable	–
Total attributable to regulated service	133,691
Distribution switchgear	
Directly attributable	32,683
Not directly attributable	–
Total attributable to regulated service	32,683
Other network assets	
Directly attributable	21,318
Not directly attributable	–
Total attributable to regulated service	21,318
Non-network assets	
Directly attributable	10,641
Not directly attributable	–
Total attributable to regulated service	10,641
Regulated service asset value directly attributable	595,509
Regulated service asset value not directly attributable	148,098
Total closing RAB value	743,607

5e(ii): Changes in Asset Allocations* †

Change in asset value allocation 1

			($000) CY-1	Current Year (CY)
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–
Rationale for change				

Change in asset value allocation 2

			($000) CY-1	Current Year (CY)
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–
Rationale for change				

Change in asset value allocation 3

			($000) CY-1	Current Year (CY)
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–
Rationale for change				

** a change in asset allocation must be completed for each allocator or component change that has occurred in the disclosure year. A movement in an allocator metric is not a change in allocator or compone*
† include additional rows if needed

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 6a: REPORT ON CAPITAL EXPENDITURE FOR THE DISCLOSURE YEAR

This schedule requires a breakdown of capital expenditure on assets incurred in the disclosure year, including any assets in respect of which capital contributions are received, but excluding assets that are vested assets. Information on expenditure on assets must be provided on an accounting accruals basis and must exclude finance costs.
EDBs must provide explanatory comment on their expenditure on assets in Schedule 14 (Explanatory Notes to Templates).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

6a(i): Expenditure on Assets

			($000)	($000)
8		Consumer connection		15,214
9		System growth		7,912
10		Asset replacement and renewal		19,726
11		Asset relocations		1,670
12		Reliability, safety and environment:		
13		Quality of supply	1,157	
14		Legislative and regulatory	–	
15		Other reliability, safety and environment	2,476	
16		**Total reliability, safety and environment**		3,633
17		**Expenditure on network assets**		48,156
18		Expenditure on non-network assets		2,325
19				
20		**Expenditure on assets**		50,481
21	*plus*	Cost of financing		295
22	*less*	Value of capital contributions		14,471
23	*plus*	Value of vested assets		–
24				
25		**Capital expenditure**		36,305

6a(ii): Subcomponents of Expenditure on Assets (where known)

			($000)
27		Energy efficiency and demand side management, reduction of energy losses	–
28		Overhead to underground conversion	–
29		Research and development	–

6a(iii): Consumer Connection

		*Consumer types defined by EDB**	($000)	($000)
32		Substation	7,673	
33		Subdivision	4,382	
34		Residential & Commercial Customers (low Voltage)	2,704	
35		High Voltage Connection	456	
36		[Description of material project or programme]	–	
37		** include additional rows if needed*		
38		**Consumer connection expenditure**		15,214
39				
40	*less*	Capital contributions funding consumer connection expenditure	12,837	
41		**Consumer connection less capital contributions**		2,377

6a(iv): System Growth and Asset Replacement and Renewal

			System Growth ($000)	Asset Replacement and Renewal ($000)
45		Subtransmission	6,810	1,040
46		Zone substations	378	540
47		Distribution and LV lines	198	8,867
48		Distribution and LV cables	–	3,360
49		Distribution substations and transformers	338	2,113
50		Distribution switchgear	39	353
51		Other network assets	150	3,454
52		**System growth and asset replacement and renewal expenditure**	7,912	19,726
53	*less*	Capital contributions funding system growth and asset replacement and renewal	–	–
54		**System growth and asset replacement and renewal less capital contributions**	7,912	19,726
55				

6a(v): Asset Relocations

		*Project or programme**	($000)	($000)
58		Gracefield IDID Relocation	537	
59		Naenae Pool Unipak and 11kV Cable Relocation	322	
60		State Highway 58 11kV Undergrounding	259	
61		[Description of material project or programme]	–	
62		[Description of material project or programme]	–	
63		** include additional rows if needed*		
64		All other projects or programmes - asset relocations	552	
65		**Asset relocations expenditure**		1,670
66	*less*	Capital contributions funding asset relocations	1,634	
67		**Asset relocations less capital contributions**		36

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 6a: REPORT ON CAPITAL EXPENDITURE FOR THE DISCLOSURE YEAR

This schedule requires a breakdown of capital expenditure on assets incurred in the disclosure year, including any assets in respect of which capital contributions are received, but excluding assets that are vested assets. Information on expenditure on assets must be provided on an accounting accruals basis and must exclude finance costs.
EDBs must provide explanatory comment on their expenditure on assets in Schedule 14 (Explanatory Notes to Templates).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref				
68				
69	**6a(vi): Quality of Supply**			
70		*Project or programme**	**($000)**	**($000)**
71		[Description of material project or programme]	–	
72		[Description of material project or programme]	–	
73		[Description of material project or programme]	–	
74		[Description of material project or programme]	–	
75		[Description of material project or programme]	–	
76		** include additional rows if needed*		
77		All other projects programmes - quality of supply	1,157	
78		**Quality of supply expenditure**		1,157
79	*less*	Capital contributions funding quality of supply	–	
80		**Quality of supply less capital contributions**		1,157
81	**6a(vii): Legislative and Regulatory**			
82		*Project or programme**	**($000)**	**($000)**
83		[Description of material project or programme]	–	
84		[Description of material project or programme]	–	
85		[Description of material project or programme]	–	
86		[Description of material project or programme]	–	
87		[Description of material project or programme]	–	
88		** include additional rows if needed*		
89		All other projects or programmes - legislative and regulatory	–	
90		**Legislative and regulatory expenditure**		–
91	*less*	Capital contributions funding legislative and regulatory	–	
92		**Legislative and regulatory less capital contributions**		–
93	**6a(viii): Other Reliability, Safety and Environment**			
94		*Project or programme**	**($000)**	**($000)**
95		Mobile Substations	1,609	
96		Newtown Zone Substation Seismic Strengthening	590	
97		[Description of material project or programme]	–	
98		[Description of material project or programme]	–	
99		[Description of material project or programme]	–	
100		** include additional rows if needed*		
101		All other projects or programmes - other reliability, safety and environment	277	
102		**Other reliability, safety and environment expenditure**		2,476
103	*less*	Capital contributions funding other reliability, safety and environment	–	
104		**Other reliability, safety and environment less capital contributions**		2,476
105				
106	**6a(ix): Non-Network Assets**			
107		**Routine expenditure**		
108		*Project or programme**	**($000)**	**($000)**
109		GIS Upgrade Project	549	
110		Data Centres	346	
111		[Description of material project or programme]	–	
112		[Description of material project or programme]	–	
113		[Description of material project or programme]	–	
114		** include additional rows if needed*		
115		All other projects or programmes - routine expenditure	1,430	
116		**Routine expenditure**		2,325
117		**Atypical expenditure**		
118		*Project or programme**	**($000)**	**($000)**
119		[Description of material project or programme]	–	
120		[Description of material project or programme]	–	
121		[Description of material project or programme]	–	
122		[Description of material project or programme]	–	
123		[Description of material project or programme]	–	
124		** include additional rows if needed*		
125		All other projects or programmes - atypical expenditure	–	
126		**Atypical expenditure**		–
127				
128		**Expenditure on non-network assets**		2,325

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 6b: REPORT ON OPERATIONAL EXPENDITURE FOR THE DISCLOSURE YEAR

This schedule requires a breakdown of operational expenditure incurred in the disclosure year.
EDBs must provide explanatory comment on their operational expenditure in Schedule 14 (Explanatory notes to templates). This includes explanatory comment on any atypical operational expenditure and assets replaced or renewed as part of asset replacement and renewal operational expenditure, and additional information on insurance.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref		($000)	($000)
7	**6b(i): Operational Expenditure**		
8	Service interruptions and emergencies	5,320	
9	Vegetation management	1,842	
10	Routine and corrective maintenance and inspection	8,280	
11	Asset replacement and renewal	1,157	
12	**Network opex**		16,598
13	System operations and network support	7,461	
14	Business support	11,345	
15	**Non-network opex**		18,806
16			
17	**Operational expenditure**		35,404
18	**6b(ii): Subcomponents of Operational Expenditure (where known)**		
19	Energy efficiency and demand side management, reduction of energy losses		–
20	Direct billing*		–
21	Research and development		–
22	Insurance		2,153
23	** Direct billing expenditure by suppliers that directly bill the majority of their consumers*		

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 7: COMPARISON OF FORECASTS TO ACTUAL EXPENDITURE

This schedule compares actual revenue and expenditure to the previous forecasts that were made for the disclosure year. Accordingly, this schedule requires the forecast revenue and expenditure information from previous disclosures to be inserted.
EDBs must provide explanatory comment on the variance between actual and target revenue and forecast expenditure in Schedule 14 (Mandatory Explanatory Notes). This information is part of the audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8. For the purpose of this audit, target revenue and forecast expenditures only need to be verified back to previous disclosures.

sch ref

		Target ($000) [1]	Actual ($000)	% variance
7	**7(i): Revenue**			
8	Line charge revenue	154,675	158,977	3%
		Forecast ($000) [2]	**Actual ($000)**	**% variance**
9	**7(ii): Expenditure on Assets**			
10	Consumer connection	11,636	15,214	31%
11	System growth	9,122	7,912	(13%)
12	Asset replacement and renewal	20,413	19,726	(3%)
13	Asset relocations	714	1,670	134%
14	Reliability, safety and environment:			
15	Quality of supply	2,177	1,157	(47%)
16	Legislative and regulatory	–	–	–
17	Other reliability, safety and environment	728	2,476	240%
18	**Total reliability, safety and environment**	2,905	3,633	25%
19	**Expenditure on network assets**	44,790	48,156	8%
20	Expenditure on non-network assets	1,805	2,325	29%
21	Expenditure on assets	46,596	50,481	8%
22	**7(iii): Operational Expenditure**			
23	Service interruptions and emergencies	4,738	5,320	12%
24	Vegetation management	1,765	1,842	4%
25	Routine and corrective maintenance and inspection	8,308	8,280	(0%)
26	Asset replacement and renewal	942	1,157	23%
27	**Network opex**	15,754	16,598	5%
28	System operations and network support	5,887	7,461	27%
29	Business support	12,424	11,345	(9%)
30	**Non-network opex**	18,311	18,806	3%
31	**Operational expenditure**	34,065	35,404	4%
32	**7(iv): Subcomponents of Expenditure on Assets (where known)**			
33	Energy efficiency and demand side management, reduction of energy losses	–	–	–
34	Overhead to underground conversion	–	–	–
35	Research and development	–	–	–
36				
37	**7(v): Subcomponents of Operational Expenditure (where known)**			
38	Energy efficiency and demand side management, reduction of energy losses	–	–	–
39	Direct billing	–	–	–
40	Research and development	–	–	–
41	Insurance	2,098	2,153	3%
42				

43 *1 From the nominal dollar target revenue for the disclosure year disclosed under clause 2.4.3(3) of this determination*

44 *2 From the CY+1 nominal dollar expenditure forecasts disclosed in accordance with clause 2.6.6 for the forecast period starting at the beginning of the disclosure year (the second to last disclosure of Schedules 11a and 11b)*

Company Name **Wellington Electricity Lines Limited**
For Year Ended **31 March 2022**
Network / Sub-Network Name

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for each price category code used by the EDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

sch ref

8(i): Billed Quantities by Price Component

Consumer group name or price category code	Consumer type or types (eg, residential, commercial etc.)	Standard or non-standard consumer group (specify)	Average no. of ICPs in disclosure year	Energy delivered to ICPs in disclosure year (MWh)
RLU	Domestic	Standard	5,179	112,144
RSU	Domestic	Standard	4,378	144,940
RLUTOU	Domestic	Standard	86,582	370,647
RSUTOU	Domestic	Standard	57,964	469,527
RLUEVB	Domestic	Standard	182	1,499
RSUEVB	Domestic	Standard	148	2,272
GLV15	Small Commercial	Standard	5,336	39,870
GLV69	Small Commercial	Standard	9,842	271,084
GLV138	Medium Commercial	Standard	425	49,437
GLV300	Large Commercial	Standard	371	95,605
GLV1500	Small Industrial	Standard	207	121,210
GTX15	Small Commercial	Standard	2	32
GTX69	Small Commercial	Standard	18	575
GTX138	Medium Commercial	Standard	19	2,395
GTX300	Large Commercial	Standard	115	47,919
GTX1500	Small Industrial	Standard	276	327,144
GTX1501	Large Industrial	Standard	39	160,910
G001	Un-metered	Standard	531	2,192
G002	Un-metered	Standard	325	20,117
Individual Contracts	Individual Contracts	Non-standard	14	27,458
Add extra rows for additional consumer groups or price category codes as necessary				
		Standard consumer totals	171,941	2,239,520
		Non-standard consumer totals	14	27,458
		Total for all consumers	171,955	2,266,979

Billed quantities by price component

Price component	Fixed Charge (FIXD)	Uncontrolled Charge (24UC or UC)	All-Inclusive Charge (AICO)	Controlled Charge (CTRL)	Night Charge (NITE)	Peak (PEAK)	Off-Peak (OFFPEAK)	Peak Uncontrolled (P-UC)	Off-Peak Uncontrolled (OP-UC)	Peak All-Inclusive (P-AI)	Off-Peak All-Inclusive (OP-AI)	Demand (DAMD)	Capacity Charge (CAPY)	On-Peak Demand Charge (DOPC)	Power Factor Charge (PWRF)	Individual Contracts	*Add extra columns for additional billed quantities by price component as necessary*
Unit charging basis (eg, days, kW of demand, kVA of capacity, etc.)	Day	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kVA/month	kVA/day	kW/mth	kVAr/mth	ea	
RLU	1,853,463	69,954,265	38,270,271	3,664,981	254,923	–	–	–	–	–	–	–	–	–	–	–	
RSU	1,610,589	85,418,338	53,260,152	5,503,744	757,931	–	–	–	–	–	–	–	–	–	–	–	
RLUTOU	31,665,503	121,252,543	78,229,170	12,492,262	1,850,789	–	–	34,718,541	55,767,321	20,419,665	45,917,163	–	–	–	–	–	
RSUTOU	21,129,057	131,808,672	120,836,755	17,905,004	3,329,383	–	–	40,780,511	64,162,961	27,482,987	63,220,595	–	–	–	–	–	
RLUEVB	65,527	–	–	13,788	–	410,676	1,074,681	–	–	–	–	–	–	–	–	–	
RSUEVB	52,828	–	–	27,616	–	705,769	1,538,900	–	–	–	–	–	–	–	–	–	
GLV15	1,944,677	39,869,671	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
GLV69	3,594,422	271,084,040	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
GLV138	155,338	49,437,042	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
GLV300	133,918	95,605,248	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
GLV1500	74,437	121,209,793	–	–	–	–	–	–	–	–	–	376,555	–	–	–	–	
GTX15	761	31,543	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
GTX69	6,510	575,075	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
GTX138	6,455	2,395,268	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
GTX300	41,394	47,918,582	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
GTX1500	99,674	327,144,403	–	–	–	–	–	–	–	–	–	938,407	76,828,698	–	–	–	
GTX1501	14,315	160,910,227	–	–	–	–	–	–	–	–	–	–	35,700,749	447,358	25,678	–	
G001	421,629	2,191,726	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
G002	16,882,356	20,117,488	–	–	–	–	–	–	–	–	–	–	–	–	–	–	
Individual Contracts	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	27,458,206	
	79,752,852	1,546,923,924	290,596,348	39,607,395	6,193,026	1,116,446	2,613,581	75,499,052	119,930,282	47,902,652	109,137,758	1,314,962	112,529,447	447,358	25,678	–	
	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	27,458,206	
	79,752,852	1,546,923,924	290,596,348	39,607,395	6,193,026	1,116,446	2,613,581	75,499,052	119,930,282	47,902,652	109,137,758	1,314,962	112,529,447	447,358	25,678	27,458,206	

Company Name **Wellington Electricity Lines Limited**
For Year Ended **31 March 2022**
Network / Sub-Network Name

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for each price category code used by the EDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

8(ii): Line Charge Revenues ($000) by Price Component

Consumer group name or price category code	Consumer type or types (eg, residential, commercial etc.)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue foregone from posted discounts (if applicable)	Total distribution line charge revenue	Total transmission line charge revenue (if available)	Line charge revenues ($000) by price component: Price component / Rate (eg, $ per day, $ per kWh, etc.)	Fixed Charge (FIXD) $/day	Uncontrolled Charge (24UC or UC) $/kWh	All-Inclusive Charge (AICO) $/kWh	Controlled Charge (CTRL) $/kWh	Night Charge (NITE) $/kWh	Peak (PEAK) $/kWh	Off-Peak (OFFPEAK) $/kWh	Peak Uncontrolled (P-UC) $/kWh	Off-Peak Uncontrolled (OP-UC) $/kWh	Peak All-Inclusive (P-AI) $/kWh	Off-Peak All-Inclusive (OP-AI) $/kWh	Demand (DAMD) $/kVA/month	Capacity Charge (CAPY) $/kVA/day	On-Peak Demand Charge (ODPC) $/kW/mth	Power Factor Charge (PWRF) $/kVAr/mth	Individual Contracts (IC) $
RLU	Domestic	Standard	$10,711	–	$6,380	$4,331		$278	$7,121	$3,127	$180	$4	–	–	–	–	–	–	–	–	–	–	–	–
RSU	Domestic	Standard	$9,522	–	$5,596	$3,926		$1,607	$5,458	$2,338	$107	$12	–	–	–	–	–	–	–	–	–	–	–	–
RLUTOU	Domestic	Standard	$39,097	–	$23,195	$15,903		$4,750	$12,344	$6,391	$615	$31	–	–	$4,763	$4,796	$2,438	$2,966	–	–	–	–	–	–
RSUTOU	Domestic	Standard	$46,307	–	$26,518	$19,789		$21,076	$8,423	$5,305	$349	$51	–	–	$4,025	$3,131	$2,152	$1,795	–	–	–	–	–	–
RLUEVB	Domestic	Standard	$153	–	$81	$72		$10	–	–	$1	–	$66	$77	–	–	–	–	–	–	–	–	–	–
RSUEVB	Domestic	Standard	$184	–	$98	$85		$62	–	–	$1	–	$81	$40	–	–	–	–	–	–	–	–	–	–
GLV15	Small Commercial	Standard	$3,062	–	$1,822	$1,240		$1,073	$1,989	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
GLV69	Small Commercial	Standard	$14,285	–	$8,502	$5,783		$4,905	$9,380	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
GLV138	Medium Commercial	Standard	$3,228	–	$1,916	$1,312		$1,201	$2,027	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
GLV300	Large Commercial	Standard	$3,101	–	$1,843	$1,257		$1,475	$1,625	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
GLV1500	Small Industrial	Standard	$5,514	–	$3,285	$2,229		$2,068	$909	–	–	–	–	–	–	–	–	–	$2,537	–	–	–	–	–
GTX15	Small Commercial	Standard	$2	–	$1	$1		$0	$1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
GTX69	Small Commercial	Standard	$27	–	$16	$11		$8	$19	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
GTX138	Medium Commercial	Standard	$137	–	$82	$55		$45	$92	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
GTX300	Large Commercial	Standard	$1,171	–	$697	$474		$414	$757	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
GTX1500	Small Industrial	Standard	$10,597	–	$6,319	$4,278		$2,150	$1,996	–	–	–	–	–	–	–	–	–	$5,315	$1,137	–	–	–	–
GTX1501	Large Industrial	Standard	$6,126	–	$3,636	$2,489		$1	$225	–	–	–	–	–	–	–	–	–	–	$928	$4,774	$198	–	–
SL001	Un-metered	Standard	$287	–	$170	$116		$16	$270	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
SL002	Un-metered	Standard	$3,441	–	$2,044	$1,396		$3,441	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Individual Contracts	Individual Contracts	Non-standard	$2,028	–	$1,192	$837		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	$2,028

Add extra rows for additional consumer groups or price category codes as necessary

Add extra columns for additional line charge revenues by price component as necessary

Standard consumer totals	$156,949	–	$92,202	$64,747	$44,579	$52,636	$17,161	$1,253	$97	$147	$117	$8,792	$7,927	$4,590	$4,762	$7,852	$2,065	$4,774	$198	–
Non-standard consumer totals	$2,028	–	$1,192	$837	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	$2,028
Total for all consumers	$158,977	–	$93,393	$65,584	$44,579	$52,636	$17,161	$1,253	$97	$147	$117	$8,792	$7,927	$4,590	$4,762	$7,852	$2,065	$4,774	$198	$2,028

8(iii): Number of ICPs directly billed

Number of directly billed ICPs at year end	14	**Check** OK

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**
Network / Sub-network Name	

SCHEDULE 9a: ASSET REGISTER

This schedule requires a summary of the quantity of assets that make up the network, by asset category and asset class. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref

8	Voltage	Asset category	Asset class	Units	Items at start of year (quantity)	Items at end of year (quantity)	Net change	Data accuracy (1–4)
9	All	Overhead Line	Concrete poles / steel structure	No.	31,082	31,831	749	3
10	All	Overhead Line	Wood poles	No.	8,122	7,891	(231)	3
11	All	Overhead Line	Other pole types	No.	221	227	6	3
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	57	57	(0)	4
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	–	–	–	N/A
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	32	35	3	4
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	50	50	(0)	4
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	48	45	(3)	4
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	8	8	–	4
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	–	–	–	N/A
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	–	–	–	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	–	–	–	N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	–	–	–	N/A
22	HV	Subtransmission Cable	Subtransmission submarine cable	km	–	–	–	N/A
23	HV	Zone substation Buildings	Zone substations up to 66kV	No.	27	27	–	4
24	HV	Zone substation Buildings	Zone substations 110kV+	No.	–	–	–	N/A
25	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	–	–	–	N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	–	–	–	N/A
27	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	–	–	–	N/A
28	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	–	–	–	N/A
29	HV	Zone substation switchgear	33kV RMU	No.	–	–	–	N/A
30	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	–	–	–	N/A
31	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	2	2	–	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	354	352	(2)	4
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	–	–	–	N/A
34	HV	Zone Substation Transformer	Zone Substation Transformers	No.	52	52	–	4
35	HV	Distribution Line	Distribution OH Open Wire Conductor	km	586	585	(2)	4
36	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	2	2	(0)	4
37	HV	Distribution Line	SWER conductor	km	1	1	–	3
38	HV	Distribution Cable	Distribution UG XLPE or PVC	km	161	171	10	3
39	HV	Distribution Cable	Distribution UG PILC	km	1,031	1,029	(2)	3
40	HV	Distribution Cable	Distribution Submarine Cable	km	0	0	–	4
41	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	17	17	–	4
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	1,005	1,016	11	4
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	2,622	2,611	(11)	3
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	614	617	3	3
45	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	2,033	2,071	38	4
46	HV	Distribution Transformer	Pole Mounted Transformer	No.	1,820	1,816	(4)	4
47	HV	Distribution Transformer	Ground Mounted Transformer	No.	2,621	2,664	43	4
48	HV	Distribution Transformer	Voltage regulators	No.	–	–	–	N/A
49	HV	Distribution Substations	Ground Mounted Substation Housing	No.	525	525	–	4
50	LV	LV Line	LV OH Conductor	km	1,074	1,072	(2)	2
51	LV	LV Cable	LV UG Cable	km	1,729	1,751	21	2
52	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	1,931	1,948	16	2
53	LV	Connections	OH/UG consumer service connections	No.	171,059	172,542	1,483	3
54	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	1,433	1,452	19	3
55	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	412	264	(148)	4
56	All	Capacitor Banks	Capacitors including controls	No	–	–	–	N/A
57	All	Load Control	Centralised plant	Lot	24	24	–	4
58	All	Load Control	Relays	No	–	–	–	N/A
59	All	Civils	Cable Tunnels	km	1	1	–	4

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**
Network / Sub-network Name	

SCHEDULE 9b: ASSET AGE PROFILE

This schedule requires a summary of the age profile (based on year of installation) of the assets that make up the network, by asset category and asset class. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref

8 **Disclosure Year (year ended)** 31 March 2022

Number of assets at disclosure year end by installation date

9	Voltage	Asset category	Asset class	Units	pre-1940	1940 –1949	1950 –1959	1960 –1969	1970 –1979	1980 –1989	1990 –1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	No. with age unknown	Items at end of year (quantity)	No. with default dates	Data accuracy (1–4)
10	All	Overhead Line	Concrete poles / steel structure	No.	60	155	1,417	5,177	3,669	1,693	2,725	487	240	241	454	390	403	1,736	1,899	2,384	966	464	414	425	503	516	624	720	907	837	1,001	331	544	449	–	–	–	–	31,831	644	3
11	All	Overhead Line	Wood poles	No.	20	31	329	2,030	1,657	1,507	680	29	10	17	4	27	32	73	172	111	66	57	43	69	45	51	59	81	119	101	82	112	99	178	–	–	–	–	7,891	447	3
12	All	Overhead Line	Other pole types	No.	–	–	8	30	44	3	12	–	–	–	–	–	–	–	–	–	–	2	–	–	–	–	35	–	11	16	18	18	26	4	–	–	–	–	227	26	3
13	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	–	–	–	17	25	–	12	–	–	0	–	–	–	–	–	0	0	–	0	0	–	–	–	0	1	0	–	2	–	–	–	–	–	57	0	4
14	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	–	–	–	0	–	–	3	–	1	2	0	0	1	0	2	–	5	–	–	10	–	0	6	1	0	0	0	0	–	3	–	–	–	–	35	–	4
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	–	–	–	20	20	9	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	50	–	4
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	–	–	10	28	4	3	–	–	–	–	–	–	–	–	0	0	–	–	–	–	–	0	–	–	–	–	–	–	–	–	–	–	–	45	–	4
18	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	–	–	–	1	6	0	0	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	8	–	4
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
22	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
23	HV	Subtransmission Cable	Subtransmission submarine cable	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
24	HV	Zone substation Buildings	Zone substations up to 66kV	No.	–	–	1	14	9	1	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	27	–	4
25	HV	Zone substation Buildings	Zone substations 110kV+	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
27	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
28	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
29	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
30	HV	Zone substation switchgear	33kV RMU	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
31	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
32	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	–	–	–	–	–	–	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	2	–	4
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	–	–	–	131	72	40	29	–	1	6	–	–	–	–	–	16	2	–	–	3	11	13	1	11	–	3	1	12	–	–	–	–	–	–	352	2	4
34	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
35	HV	Zone Substation Transformer	Zone Substation Transformers	No.	–	–	4	29	13	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	52	4	4
36	HV	Distribution Line	Distribution OH Open Wire Conductor	km	–	–	4	212	101	150	52	4	3	3	3	5	1	3	2	1	1	1	1	5	4	3	2	2	3	4	3	3	3	2	–	–	–	–	585	2	4
37	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	–	–	–	1	0	0	–	–	–	–	–	–	–	–	–	–	0	–	–	–	–	–	–	–	–	0	0	0	–	–	–	–	–	–	2	–	4
38	HV	Distribution Line	SWER conductor	km	–	–	–	1	–	–	–	–	–	–	–	–	–	–	–	–	–	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1	–	3
39	HV	Distribution Cable	Distribution UG XLPE or PVC	km	–	–	–	1	1	0	2	1	14	10	6	5	3	4	4	9	10	5	5	11	13	9	6	5	6	11	8	8	9	5	–	–	–	–	171	–	3
40	HV	Distribution Cable	Distribution UG PILC	km	55	22	115	276	247	154	112	4	9	4	4	6	9	6	4	2	1	0	0	0	0	0	0	–	–	0	0	–	–	–	–	–	–	–	1,029	1	3
41	HV	Distribution Cable	Distribution Submarine Cable	km	–	–	–	–	–	–	0	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	0	–	4
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	–	–	–	1	–	–	–	–	–	–	–	–	–	–	2	1	–	–	1	–	–	–	1	6	1	1	–	1	1	1	–	–	–	–	17	–	4
43	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	–	5	17	185	134	146	132	–	8	12	2	1	–	5	12	30	4	40	42	34	40	34	8	28	7	25	22	11	25	7	–	–	–	–	1,016	2	4
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	2	–	147	688	409	180	173	47	47	52	78	67	33	41	46	60	32	25	31	36	30	18	32	44	63	46	62	50	40	32	–	–	–	–	2,611	83	3
45	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	–	–	5	95	155	188	53	2	4	4	4	–	2	–	3	5	–	4	5	7	6	16	6	8	1	5	16	6	13	6	–	–	–	–	617	2	3
46	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	–	–	21	120	407	204	240	24	26	19	40	48	33	42	44	39	34	68	33	59	56	57	49	52	66	55	65	55	68	47	–	–	–	–	2,071	23	4
47	HV	Distribution Transformer	Pole Mounted Transformer	No.	–	3	67	303	168	61	157	35	62	44	48	41	39	64	39	46	28	33	25	27	33	21	26	36	67	43	88	40	85	89	–	–	–	–	1,816	5	4
48	HV	Distribution Transformer	Ground Mounted Transformer	No.	–	15	131	372	491	209	190	35	50	44	50	45	57	79	74	58	49	54	43	50	49	36	63	53	70	62	63	66	63	43	–	–	–	–	2,664	10	4
49	HV	Distribution Transformer	Voltage regulators	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
50	HV	Distribution Substations	Ground Mounted Substation Housing	No.	4	12	82	128	83	82	33	6	7	11	10	6	4	2	2	3	1	5	1	1	3	6	4	4	2	4	1	4	11	3	–	–	–	–	525	7	4
51	LV	LV Line	LV OH Conductor	km	5	12	152	486	244	82	54	5	3	2	2	2	1	3	1	2	2	1	1	1	1	1	1	1	1	1	1	1	1	2	–	–	–	–	1,072	13	2
52	LV	LV Cable	LV UG Cable	km	7	20	102	313	522	206	201	13	24	20	15	14	28	27	19	23	21	10	10	8	15	12	17	12	12	18	17	22	14	10	–	–	–	–	1,751	17	2
53	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	2	11	114	514	625	207	232	14	14	15	7	13	22	17	12	15	21	7	4	7	9	7	8	6	6	8	7	14	6	3	–	–	–	–	1,948	174	2
54	LV	Connections	OH/UG consumer service connections	No.	4	15	140	329	129,511	122	138	51	7	15	11	9	8	19	7	11	70	1,049	847	1,021	1,021	746	1,102	1,002	1,114	1,205	1,465	1,736	1,821	1,973	–	–	–	25,973	172,542	129,295	3
55	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	–	–	–	–	–	–	–	–	–	–	2	–	–	–	–	1	5	2	–	17	40	52	20	44	7	22	19	32	14	9	–	–	–	1,166	1,452	–	3
56	All	SCADA and communications	SCADA and communications equipment operating as a single syst	Lot	–	–	–	–	–	43	88	2	2	1	–	–	5	4	8	1	12	12	17	8	11	6	20	5	1	6	3	8	4	1	–	–	–	–	264	–	4
57	All	Capacitor Banks	Capacitors including controls	No	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
58	All	Load Control	Centralised plant	Lot	–	–	6	8	6	2	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1	–	–	–	–	–	–	–	–	24	2	4
59	All	Load Control	Relays	No	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
60	All	Civils	Cable Tunnels	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1	1	–	4

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**
Network / Sub-network Name	

SCHEDULE 9c: REPORT ON OVERHEAD LINES AND UNDERGROUND CABLES

This schedule requires a summary of the key characteristics of the overhead line and underground cable network. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref				
9				
10	**Circuit length by operating voltage (at year end)**	**Overhead (km)**	**Underground (km)**	**Total circuit length (km)**
11	> 66kV	–	–	–
12	50kV & 66kV	–	–	–
13	33kV	57	138	195
14	SWER (all SWER voltages)	1	–	1
15	22kV (other than SWER)	–	–	–
16	6.6kV to 11kV (inclusive—other than SWER)	587	1,201	1,788
17	Low voltage (< 1kV)	1,072	1,751	2,823
18	**Total circuit length (for supply)**	1,717	3,089	4,806
19				
20	Dedicated street lighting circuit length (km)	817	1,130	1,948
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)			–
22				

23	**Overhead circuit length by terrain (at year end)**	**Circuit length (km)**	**(% of total overhead length)**
24	Urban	1,327	77%
25	Rural	389	23%
26	Remote only	–	–
27	Rugged only	–	–
28	Remote and rugged	–	–
29	Unallocated overhead lines	–	–
30	**Total overhead length**	1,717	100%
31			

32		**Circuit length (km)**	**(% of total circuit length)**
33	Length of circuit within 10km of coastline or geothermal areas (where known)	4,204	87%

34		**Circuit length (km)**	**(% of total overhead length)**
35	Overhead circuit requiring vegetation management	1,545	90%

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**

SCHEDULE 9d: REPORT ON EMBEDDED NETWORKS

This schedule requires information concerning embedded networks owned by an EDB that are embedded in another EDB's network or in another embedded network.

sch ref			
8	**Location ***	**Number of ICPs served**	**Line charge revenue ($000)**
9	N/A		
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

** Extend embedded distribution networks table as necessary to disclose each embedded network owned by the EDB which is embedded in another EDB's network or in another embedded network*

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**
Network / Sub-network Name	

SCHEDULE 9e: REPORT ON NETWORK DEMAND

This schedule requires a summary of the key measures of network utilisation for the disclosure year (number of new connections including distributed generation, peak demand and electricity volumes conveyed).

sch ref

9e(i): Consumer Connections

Number of ICPs connected in year by consumer type

*Consumer types defined by EDB**	Number of connections (ICPs)
Domestic	2,140
Large Commercial	12
Medium Commercial	13
Small Commercial	577
Small Industrial	7
Un-metered	61
Large Industrial	4
Connections total	2,814

** include additional rows if needed*

Distributed generation

Number of connections made in year	366	connections
Capacity of distributed generation installed in year	1.93	MVA

9e(ii): System Demand

		Demand at time of maximum coincident demand (MW)	
	Maximum coincident system demand		
	GXP demand	530	
plus	Distributed generation output at HV and above	49	
	Maximum coincident system demand	579	
less	Net transfers to (from) other EDBs at HV and above	–	
	Demand on system for supply to consumers' connection points	579	
	Electricity volumes carried	**Energy (GWh)**	
	Electricity supplied from GXPs	2,237	
less	Electricity exports to GXPs	94	
plus	Electricity supplied from distributed generation	236	
less	Net electricity supplied to (from) other EDBs	–	
	Electricity entering system for supply to consumers' connection points	2,379	
less	Total energy delivered to ICPs	2,267	
	Electricity losses (loss ratio)	112	4.7%
	Load factor	0.47	

9e(iii): Transformer Capacity

	(MVA)
Distribution transformer capacity (EDB owned)	1,443
Distribution transformer capacity (Non-EDB owned, estimated)	27
Total distribution transformer capacity	1,470
Zone substation transformer capacity	1,067

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**
Network / Sub-network Name	

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

This schedule requires a summary of the key measures of network reliability (interruptions, SAIDI, SAIFI and fault rate) for the disclosure year. EDBs must provide explanatory comment on their network reliability for the disclosure year in Schedule 14 (Explanatory notes to templates). The SAIFI and SAIDI information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

10(i): Interruptions

Interruptions by class

		Number of interruptions
10	Class A (planned interruptions by Transpower)	6
11	Class B (planned interruptions on the network)	241
12	Class C (unplanned interruptions on the network)	230
13	Class D (unplanned interruptions by Transpower)	2
14	Class E (unplanned interruptions of EDB owned generation)	–
15	Class F (unplanned interruptions of generation owned by others)	–
16	Class G (unplanned interruptions caused by another disclosing entity)	–
17	Class H (planned interruptions caused by another disclosing entity)	–
18	Class I (interruptions caused by parties not included above)	1
19	**Total**	480

Interruption restoration

		≤3Hrs	>3hrs
22	Class C interruptions restored within	140	90

SAIFI and SAIDI by class

		SAIFI	SAIDI
25	Class A (planned interruptions by Transpower)	0.00	0.13
26	Class B (planned interruptions on the network)	0.06	9.30
27	Class C (unplanned interruptions on the network)	0.41	31.03
28	Class D (unplanned interruptions by Transpower)	0.03	1.95
29	Class E (unplanned interruptions of EDB owned generation)	–	–
30	Class F (unplanned interruptions of generation owned by others)	–	–
31	Class G (unplanned interruptions caused by another disclosing entity)	–	–
32	Class H (planned interruptions caused by another disclosing entity)	–	–
33	Class I (interruptions caused by parties not included above)	0.00	0.10
34	**Total**	0.50	42.51

Normalised SAIFI and SAIDI

		Normalised SAIFI	Normalised SAIDI
37	Classes B & C (interruptions on the network)	0.47	40.33

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2022**
Network / Sub-network Name	

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

This schedule requires a summary of the key measures of network reliability (interruptions, SAIDI, SAIFI and fault rate) for the disclosure year. EDBs must provide explanatory comment on their network reliability for the disclosure year in Schedule 14 (Explanatory notes to templates). The SAIFI and SAIDI information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

10(ii): Class C Interruptions and Duration by Cause

Cause	SAIFI	SAIDI
Lightning	0.02	1.19
Vegetation	0.06	6.81
Adverse weather	0.02	2.71
Adverse environment	0.00	0.65
Third party interference	0.05	5.13
Wildlife	0.01	0.70
Human error	0.06	1.71
Defective equipment	0.16	10.10
Cause unknown	0.03	2.04

10(iii): Class B Interruptions and Duration by Main Equipment Involved

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	–	–
Subtransmission cables	–	–
Subtransmission other	–	–
Distribution lines (excluding LV)	0.05	7.97
Distribution cables (excluding LV)	0.02	1.33
Distribution other (excluding LV)	–	–

10(iv): Class C Interruptions and Duration by Main Equipment Involved

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	–	–
Subtransmission cables	–	–
Subtransmission other	–	–
Distribution lines (excluding LV)	0.24	22.60
Distribution cables (excluding LV)	0.17	8.43
Distribution other (excluding LV)	–	–

10(v): Fault Rate

Main equipment involved	Number of Faults	Circuit length (km)	Fault rate (faults per 100km)
Subtransmission lines	–	57	–
Subtransmission cables	–	138	–
Subtransmission other	–		
Distribution lines (excluding LV)	176	587	30.00
Distribution cables (excluding LV)	54	1,201	4.50
Distribution other (excluding LV)	–		
Total	230		

Company Name Wellington Electricity Lines Limited

For Year Ended 31 March 2022

Schedule 14 Mandatory Explanatory Notes

(Guidance Note: This Microsoft Word version of Schedules 14, 14a and 15 is from the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018. Clause references in this template are to that determination)

1. This schedule requires EDBs to provide explanatory notes to information provided in accordance with clauses 2.3.1, 2.4.21, 2.4.22, and subclauses 2.5.1(1)(f),and 2.5.2(1)(e).

2. This schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.1. Information provided in boxes 1 to 11 of this schedule is part of the audited disclosure information, and so is subject to the assurance requirements specified in section 2.8.

3. Schedule 15 (Voluntary Explanatory Notes to Schedules) provides for EDBs to give additional explanation of disclosed information should they elect to do so.

Return on Investment (Schedule 2)

4. In the box below, comment on return on investment as disclosed in Schedule 2. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 1: Explanatory comment on return on investment

The 2022 return on investment (ROI) of 11.17% (vanilla WACC) is above the WACC estimate outlined in the cost of capital determination which is used to set the regulatory price path of 4.57% for the period 1 April 2021 to 31 March 2022.

The reason ROI was higher than WACC was mainly because of high inflationary revaluation adjustment to the regulatory asset base. The large increase reflects high actual inflation rates. Higher cashflows from additional line charge revenue earned in the period, a positive Incremental Rolling Incentive Scheme (IRIS) adjustment and positive quality incentive adjustment also contributed to the higher ROI.

There were no reclassifications for the year.

Regulatory Profit (Schedule 3)

5. In the box below, comment on regulatory profit for the disclosure year as disclosed in Schedule 3. This comment must include-

   5.1 a description of material items included in other regulated income (other than gains / (losses) on asset disposals), as disclosed in 3(i) of Schedule 3

5.2 information on reclassified items in accordance with subclause 2.7.1(2).

Box 2: Explanatory comment on regulatory profit

During the year WELL recovered line charge revenue of $159.0m which was greater than the actual allowable revenue. This over-recovery will be returned to consumers through the wash-up account in RY24.

WELL earned $0.7m for charges relating to new connections, upgrades, decommissioning and temporary disconnections.

Operating expenses were in line with allowances for the year. Costs were higher than prior year due to increases in insurance premium cost as well as, increases in vegetation management and corrective and preventative maintenance costs as a result of increased work programs after delays from covid lockdowns in the 2021 regulatory year.

Pass-through and recoverable costs were in line with forecast.

Depreciation was in line with last year.

Revaluations were higher than prior year due to the higher actual inflation rate for the 2022 year when compared to 2021 (6.93% vs. 1.52%). This high inflation resulted in a revaluation which was $37m higher than 2021.

There were no reclassifications for the year.

Merger and acquisition expenses (3(iv) of Schedule 3)

6. If the EDB incurred merger and acquisitions expenditure during the disclosure year, provide the following information in the box below-

6.1 information on reclassified items in accordance with subclause 2.7.1(2)

6.2 any other commentary on the benefits of the merger and acquisition expenditure to the EDB.

Box 3: Explanatory comment on merger and acquisition expenditure

There have been no mergers or acquisitions in the disclosure year.

There were no reclassifications for the year.

Value of the Regulatory Asset Base (Schedule 4)

7. In the box below, comment on the value of the regulatory asset base (rolled forward) in Schedule 4. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 4: Explanatory comment on the value of the regulatory asset based (rolled forward)
The value of the regulatory asset base has been determined by rolling forward the initial regulatory asset base with allowance made for additions, disposals, depreciation, asset allocation and revaluation in accordance with the Electricity Distribution Services Input Methodologies Determination 2012.

There were no reclassifications for the year.

Regulatory tax allowance: disclosure of permanent differences (5a(i) of Schedule 5a)

8. In the box below, provide descriptions and workings of the material items recorded in the following asterisked categories of 5a(i) of Schedule 5a-

    8.1 Income not included in regulatory profit / (loss) before tax but taxable;

    8.2 Expenditure or loss in regulatory profit / (loss) before tax but not deductible;

    8.3 Income included in regulatory profit / (loss) before tax but not taxable;

    8.4 Expenditure or loss deductible but not in regulatory profit / (loss) before tax.

Box 5: Regulatory tax allowance: permanent differences
Wellington Electricity Lines Limited (WELL) has recorded expenditure before tax that is not deductible of $23k. This includes non-deductible entertainment expenses in accordance with the New Zealand Tax Legislation.

Regulatory tax allowance: disclosure of temporary differences (5a(vi) of Schedule 5a)

9. In the box below, provide descriptions and workings of material items recorded in the asterisked category 'Tax effect of other temporary differences' in 5a(vi) of Schedule 5a.

Box 6: Tax effect of other temporary differences (current disclosure year)
Other temporary differences of $300k include employee entitlements (-$66k), and other accruals ($366k) not deductible in the current period in accordance with the New Zealand Tax Legislation.

Cost allocation (Schedule 5d)

10. In the box below, comment on cost allocation as disclosed in Schedule 5d. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 7: Cost allocation

Allocating routine and corrective maintenance expenses to unregulated pole services.

Routine and corrective maintenance is an unavoidable cost for the regulated business and is crucial to network integrity. WELL also derives unregulated revenue from some poles in the form of rental for space on the pole for fibre connections. WELL applies the Accounting-based allocation approach (ABAA) method to allocated costs to the unregulated portion of the business.

There are two types of costs relating to the unregulated pole services:

(1) Installation costs: Installation costs incurred by WELL are the largest costs incurred in relation to the unregulated pole services. These costs sit outside of the regulatory cost base and are excluded from the information disclosures.

(2) On-going pole maintenance: Pole maintenance is performed annually and is ad-hoc. This is driven by the needs of the regulated business and not the fibre services - therefore there is no causal allocator available for these costs in relation to the unregulated portion of income. We have therefore allocated a portion of these costs to the unregulated business using a proxy allocator of the surface area of the pole used to house fibre equipment.

Allocating business support expenses to non-regulated services

These costs are generic business support costs which WELL allocated based on the ABAA approach. Business support services support unregulated services of rental of pole space for fibre, other leased assets not included in the RAB, loss rental rebates and instantaneous reserve revenue. Business support costs are allocated to these unregulated services using causal drivers. A causal driver has been selected because the activities to derive the revenue can be identified and the value associated to it can be calculated and separated from the regulated activities.

If the non-regulatory revenue streams did not exist, WELL would still incur the business support costs held in the regulatory business. Any business support costs directly relating to unregulated revenue have not been included in ID disclosures as a regulatory cost.

There were no reclassifications for the year.

Asset allocation (Schedule 5e)

11. In the box below, comment on asset allocation as disclosed in Schedule 5e. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 8: Commentary on asset allocation

WELL applies the ABAA method to allocate pole assets between the regulated and non-regulated parts of the business for fibre connections. WELL is unable to identify a direct causal relationship between the pole RAB and the unregulated revenue because the fibre equipment which also uses the poles is an incidental and incremental service – if the fibre connections did not exist, the poles would still be needed to provide distribution services. WELL has therefore applied a proxy allocator for the allocation of RAB between attributable and not directly attributable. The proxy allocator used is surface area of the pole. Surface area represents the portion of the pole that external parties are leasing to attach fibre connections to. The surface area of a pole used to attach fibre equipment has been calculated to be 2.25% of a pole. This percentage is applied to the average number of poles with a fibre connection, in the regulatory year.

There were no reclassifications for the year.

Capital Expenditure for the Disclosure Year (Schedule 6a)

12. In the box below, comment on expenditure on assets for the disclosure year, as disclosed in Schedule 6a. This comment must include-

    12.1 a description of the materiality threshold applied to identify material projects and programmes described in Schedule 6a;

    12.2 information on reclassified items in accordance with subclause 2.7.1(2).

Box 9: Explanation of capital expenditure for the disclosure year

WELL has applied professional judgement in assessing whether a project or programme is deemed material. A project or programme is considered material where the required spend was at least $250k or more.

There were no reclassifications for the year.

Operational Expenditure for the Disclosure Year (Schedule 6b)

13. In the box below, comment on operational expenditure for the disclosure year, as disclosed in Schedule 6b. This comment must include-

    13.1 Commentary on assets replaced or renewed with asset replacement and renewal operational expenditure, as reported in 6b(i) of Schedule 6b;

    13.2 Information on reclassified items in accordance with subclause 2.7.1(2);

    13.3 Commentary on any material atypical expenditure included in operational expenditure disclosed in Schedule 6b, including the value of the expenditure the purpose of the expenditure, and the operational expenditure categories the expenditure relates to.

Box 10: Explanation of operational expenditure for the disclosure year

Asset replacement and renewal includes expenditure to replace or renew assets where the expenditure is not capitalised under NZ IFRS. This expenditure is of a maintenance nature.

In RY22, WELL has reclassified the call centre and customer support costs previously categorised under Business Support to Systems Operations and Network Support in line with the requirements of the Information Disclosure definitions. The value of this amount in RY22 is $528k. In RY21 this amount was $527k.

There was no material atypical expenditure included in operational expenditure in the disclosure year.

Variance between forecast and actual expenditure (Schedule 7)

14. In the box below, comment on variance in actual to forecast expenditure for the disclosure year, as reported in Schedule 7. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 11: Explanatory comment on variance in actual to forecast expenditure

Expenditure on Assets:

Consumer Connection: The increase in spend has been driven by a general uplift in development activity across the region and several large one-off customer projects. This is supported by the continued higher than usual number of new dwellings consented in the Wellington region. The number of consents in 2021 was 2,800, an increase from the annual average of 1,950 for the 6 years prior.

System Growth: The reduced expenditure has been due to changes in the sequencing of work for the Evans Bay 33kV bus installation project. The 2022 AMP provides further details about this project.

Asset Replacement and Renewals: The expenditure was largely in line with forecasts with ongoing COVID-19 delays impacting some distribution switchgear replacements.

Asset Relocation: Several large asset relocation projects were initiated by customers during the 2022 regulatory year. Refer to schedule 6a for project titles.

Quality of Supply: Expenditure decreased compared to forecasts due to timing changes in the quality of supply work programme.

Other Reliability: As a result of completing the streamlined CPP work under budget, WELL took the opportunity to provide further reliability enhancements on the network in the 2022 regulatory year.

Expenditure on Non-Network Assets: The increase in spend was due to early ordering and receipting of IT hardware to counteract delivery delays impacting on future major IT upgrade projects.

Operational Expenditure:

Service Interruptions and Emergencies: Increased expenditure in reactive maintenance primarily due to market driven contractor price increases.

Vegetation Management: In line with forecasts

Routine and Corrective Maintenance and Asset Replacement and Renewal: In line with forecasts

Systems Operations and Network Support: Increase in costs as a result of increased software licencing and data and communication costs relating to network support and aligning call centre and customer support costs into the system operations and network support category.

Business support: Decrease in costs as a result of reduced software licencing and data and communication costs and aligning call centre and customer support costs into the system operations and network support category.

In RY22, WELL has reclassified the call centre and customer support costs previously categorised under Business Support to Systems Operations and Network Support in line with the requirements of the Information Disclosure definitions. The value of this amount in RY22 is $528k. In RY21 this amount was $527k.

Information relating to revenues and quantities for the disclosure year

15. In the box below provide-

    15.1 a comparison of the target revenue disclosed before the start of the disclosure year, in accordance with clause 2.4.1 and subclause 2.4.3(3) to total billed line charge revenue for the disclosure year, as disclosed in Schedule 8; and

    15.2 explanatory comment on reasons for any material differences between target revenue and total billed line charge revenue.

Box 12: Explanatory comment relating to revenue for the disclosure year

Actual line charge revenue of $159.0m was greater than the target revenue of $154.7m. This was due to an increase in residential volumes due to people working from home during the Covid-19 economic lockdown and favourable wash-ups.

Network Reliability for the Disclosure Year (Schedule 10)

16. In the box below, comment on network reliability for the disclosure year, as disclosed in Schedule 10.

Box 13: Commentary on network reliability for the disclosure year

WELL outperformed the quality targets for the second assessment period of the DPP. The performance was a result of the continued refinements to WELL's quality improvement programme. At a high level, the quality improvement programme for the second assessment period included:

- Continued work on improving feeder performance by undertaking refurbishment projects on 11 kV feeders.
- Trialing cable testing technology by testing poor performing cables with a variety of diagnostic tools.
- Trailing more detailed weather forecasting services from both NIWA and Metservice.

WELL will continue to investigate ways to improve the reliability of the network. WELL's AMP provides an analysis of critical trends and an annual update to the reliability performance improvement programme (the AMP can be found at: https://www.welectricity.co.nz/disclosures/asset-management-plan).

Disclosure of reliability information within Schedule 10

As outlined in the Commerce Commissions letter titled "*Information Disclosure exemption: Disclosure and auditing of reliability information within Schedule 10*", dated 17 May 2021, Wellington Electricity Lines Limited has provided additional disclosure information relating to the measurement of SAIFI.

EDBs must complete and disclose, as part of their disclosures under the ID Determination, the following information:

7.1.1 whether successive interruptions have been treated in the same way for the current disclosure year as they were for the previous disclosure year;

The treatment of successive interruptions in the 2022 disclosure year is consistent with the 2021 disclosure year and with all previous disclosure years.

7.1.2 if successive interruptions were treated differently for the current disclosure year than they were for the previous disclosure year, provide an explanation of the nature of and reasons for the change; and

N/A

7.1.3 the process applied in recognising, or not recognising, successive interruptions following an initial outage.

Where an interruption to the supply of electricity distribution services to a customer is followed by restoration, and then by a "successive interruption" within the same event, WELL records this as a single interruption. If the successive interruption includes customers that were not affected by the initial outage, those additional customers are added to the same event.

Insurance cover

17. In the box below, provide details of any insurance cover for the assets used to provide electricity distribution services, including-

    17.1 The EDB's approaches and practices in regard to the insurance of assets used to provide electricity distribution services, including the level of insurance;

    17.2 In respect of any self insurance, the level of reserves, details of how reserves are managed and invested, and details of any reinsurance.

Box 14: Explanation of insurance cover

Due to the limited nature/cost of insurance cover available to WELL, only 15% of its assets have insurance cover. WELL has material damage (MD) and Business interruption (BI) insurance for key asset, including WELL's GXP assets, zone substations, some critical distribution substations and its office fit out at Petone. WELL's MD and BI insurance is currently placed through international markets.

The balance of WELL's assets (85%) are uninsured because insurance cover is not available and/or not economically viable. WELL does not recover funds to hold as reserve provisions (ex-ante) under the building blocks approach to determining allowable revenues under the CPP. Therefore WELL is not self-insured.

Amendments to previously disclosed information

18. In the box below, provide information about amendments to previously disclosed information disclosed in accordance with clause 2.12.1 in the last 7 years, including:

    18.1 a description of each error; and

    18.2 for each error, reference to the web address where the disclosure made in accordance with clause 2.12.1 is publicly disclosed.

Box 15: Disclosure of amendment to previously disclosed information

There have been no amendments to previous disclosure information.

Company Name Wellington Electricity Lines Limited

For Year Ended 31 March 2022

Schedule 15 Voluntary Explanatory Notes

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018.)

1. This schedule enables EDBs to provide, should they wish to-

    1.1 additional explanatory comment to reports prepared in accordance with clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1 and 2.5.2;

    1.2 information on any substantial changes to information disclosed in relation to a prior disclosure year, as a result of final wash-ups.

2. Information in this schedule is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.

3. Provide additional explanatory comment in the box below.

Box 1: Voluntary explanatory comment on disclosed information
There are no additional voluntary comments.

Schedule 18 Certification For Year-End Disclosures

Clause 2.9.2

We, Richard Pearson and Charles Tsai, being directors of Wellington Electricity Lines Limited's certify that, having made all reasonable enquiry, to the best of our knowledge-

a. the information prepared for the purposes of clauses 2.3.1, 2.3.2, 2.4.21, 2.4.22, 2.5.1, 2.5.2, and 2.7.1 of the Electricity Distribution Information Disclosure Determination 2012 in all material respects complies with that determination; and

b. the historical information used in the preparation of Schedules 8, 9a, 9b, 9c, 9d, 9e, 10, and 14 has been properly extracted from the Wellington Electricity Lines Limited's accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained.

c. In respect of information concerning assets, costs and revenues valued or disclosed in accordance with clause 2.3.6 of the Electricity Distribution Information Disclosure Determination 2012 and clauses 2.2.11(1)(g) and 2.2.11(5) of the Electricity Distribution Services Input Methodologies Determination 2012, we are satisfied that-
   i. the costs and values of assets or goods or services acquired from a related party comply, in all material respects, with clauses 2.3.6(1) and 2.3.6(3) of the Electricity Distribution Information Disclosure Determination 2012 and clauses 2.2.11(1)(g) and 2.2.11(5)(a)-2.2.11(5)(b) of the Electricity Distribution Services Input Methodologies Determination 2012; and
   ii. the value of assets or goods or services sold or supplied to a related party comply, in all material respects, with clause 2.3.6(2) of the Electricity Distribution Information Disclosure Determination 2012.

Richard Pearson
Chairman

Charles Tsai
Director

23 August 2022

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INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTORS OF WELLINGTON ELECTRICITY LINES LIMITED AND THE COMMERCE COMMISSION

Report on the Disclosure Information prepared in accordance with the Electricity Distribution Information Disclosure Determination 2012 (consolidated December 2021)

We have conducted a reasonable assurance engagement on whether the information disclosed by Wellington Electricity Lines Limited (the 'Company') required to be disclosed in accordance with the Electricity Distribution Information Disclosure Determination 2012 (consolidated December 2021) as amended by the Information Disclosure exemption: Disclosure and auditing of reliability information within Schedule 10, issued by the Commerce Commission on 17 May 2021 ('the Determination') for the disclosure year ended 31 March 2022, has been prepared, in all material respects, in accordance with the Determination.

The information required to be reported by the Company, and audited, under the Information Disclosure Determination is in schedules 1 to 4, 5a to 5g, 6a, 6b, 7, 10 and the explanatory notes in boxes 1 to 11 of Schedule 14, and the related party relationships, procurement policies and processes and the practical application of the procurement policies and processes disclosed in Schedule 5b (the 'Disclosure Information').

Further to the above, we have conducted the reasonable assurance engagement on whether the Company's basis for valuation of related party transactions ('the Related Party Transaction Information') for the disclosure year ended 31 March 2022, has been prepared, in all material respects, in accordance with clauses 2.3.6, 2.3.8, 2.3.10, 2.3.11 and 2.3.12 of the Determination, and clauses 2.2.11(1)(g) and 2.2.11(5) of the Electricity Distribution Services Input Methodologies Determination 2012 (consolidated May 2020) ('the Input Methodologies Determination').

Opinion

This opinion has been formed on the basis of, and is subject to, the inherent limitations outlined elsewhere in this independent assurance report.

In our opinion:

- The Company has complied, in all material respects, with the Determination in preparing the Disclosure Information;
- The Related Party Transaction Information complies, in all material respects, with the Determination and the Input Methodologies Determination;
- As far as appears from our examination of them, proper records to enable the complete and accurate compilation of the Disclosure Information and the Related Party Transaction information have been kept by the Company; and
- As far as appears from an examination of the records, the information used in the preparation of the Disclosure Information and the Related Party Transaction Information has been properly extracted from the Company's accounting and other records and has been sourced, where appropriate, from the Company's financial and non-financial systems.

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Basis of opinion

We have conducted our engagement in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the Standard on Assurance Engagements 3100 (Revised): *Compliance Engagements* ('SAE3100 (Revised)') issued by the New Zealand Auditing and Assurance Standards Board.

These standards require that we comply with ethical requirements and plan and perform our assurance engagement to provide reasonable assurance about whether the Disclosure Information has been prepared, in all material respects, with the Determination, and about whether the Related Party Transaction Information has been prepared, in all material respects, with the Determination and the Input Methodologies Determination. Reasonable assurance is a high level of assurance.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Disclosure Information. These matters were addressed in the context of our audit of the Disclosure Information, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Classification of expenditure between operating expenditure and capital expenditure The Company carries out a large number of individual network system projects that can be either operational (network maintenance) or capital (asset replacement or network growth) in nature. Professional judgement has been exercised about whether costs incurred in bringing assets to working condition for their intended use and should be capitalised as part of the cost of the asset, or whether they should be expensed as network maintenance. In the current year, total capital expenditures were $50,481,000 compared to total network operational expenditure incurred of $35,404,000. The Company's business operations are regulated and are subject to maximum allowable revenue limits set by the Commerce Commission. These revenue limits are, in part, determined by the value of the Company's regulatory asset base which is determined by these expenditure classifications. The classification of expenditure between operating expenditure and capital expenditure is a key audit matter due to the level of judgement involved, extent of costs incurred, and importance of the regulatory asset base to future revenue determination.	Our audit procedures included the following: • Assessing the Company's capitalisation policy was in line with NZ IAS 16 – *Property, plant and equipment,* NZ IFRS 16*: Leases* and NZ IAS 38 – *Intangible assets*; • Testing the design, implementation and operating effectiveness of controls over the application of the policy to expenditure incurred on network system projects; • Comparing the average operating and capital expenditure ratios against the prior regulatory periods. Using this analysis we focused our testing procedures on those areas or periods which were not consistent with the trends in the wider population; and • Testing a sample of costs to invoice(s) or other supporting information to determine whether the expenditure was correctly classified as capital or operating expenditure.

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Key audit matter	How our audit addressed the key audit matter
Completeness & accuracy of non-financial reporting disclosures in relation to faults data capture (SAIDI/SAIFI)	
The Information Disclosure Determination defines certain quality measures in relation to the number of interruptions, faults, cause of faults and the average SAIDI and SAIFI values. SAIFI and SAIDI is calculated using aggregate faults and interruptions information for the period through prescribed formulas and requirements of Attachment B of the Determination. The Company's policies and procedures require all high voltage faults, whether planned or unplanned, to be recorded. The Company captures interruption automatically through the Outage database ('SCADA') but can also be from notification by the public of a fault. The information is then recorded in an outage listing, which is updated to reflect any manual adjustments. Manual switching sheets are maintained for all faults and contain details regarding the class and calculation of each outage. The Company's process is not wholly system integrated and manual adjustments are processed. As a result the completeness & accuracy of faults have been identified as a key audit matter.	Our audit procedures included the following: • Obtaining an understanding of the Company's methods by which electricity outages and their duration are recorded; • Testing the design and implementation of key controls related to the recording and review of outage data; • Assessing the reasonableness of why certain events have not been recorded as outage events; • For unplanned outages, selecting a sample of faults recorded on the SCADA and traced the number of customers, number of minutes, the class type and fault cause to the information recorded on the outage listing; • For planned outages, selecting a sample of faults recorded on the switching sheets and traced the number of customers, number of minutes, the class type and fault cause to the information recorded on SCADA and the information recorded on the outage listing; • Where a manual adjustment was processed, for planned or unplanned, obtaining supporting information for the adjustment; • Recalculating the normalised SAIDI and SAIFI using the predetermined boundary limits; and • Reviewing the disclosures in Schedule 14 in respect of the treatment of successive interruptions.

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Key audit matter	How our audit addressed the key audit matter
Valuation of related party goods and services at arm's-length The basis of valuation of related party transactions are required to be disclosed on Schedule 5b of the disclosure information. The Directors have determined that the related party transactions identified have occurred at arm's-length by comparing related party terms and conditions, including pricing, to external transactions and information obtained from benchmarking advice from an independent advisor on margins charged by contractors. The related entity provides back office, information technology support services, systems operations, electrical contracting services and project management. This represents $3,892,000 or 7.7% of total capital expenditure, as set out in Schedule 6a. This represents $11,786,000 or 33.3% of total operational expenditure, as set out in Schedule 6b. Due to the inherent judgment associated with the valuation of the goods or services on an arm's-length basis, these matters have been identified as a key audit matter.	Our audit procedures included the following: • Obtaining a listing of all transactions for the disclosure year ended 31 March 2022 and comparing this to the list of entities and transactions included on Schedule 5b; • Obtaining management's methodology of how they determined the transactions were related party transactions; • Evaluating with the assistance of our internal specialists, and utilising market available data, management's assessment that these transactions are at arm's length; and • Evaluating the competence, objectivity and relevant experience of the independent advisor who provided the benchmarking advice.

Responsibilities of the Board of Directors for the Disclosure Information

The Board of Directors is responsible on behalf of the Company for the preparation of the Disclosure Information and Related Party Transaction Information in accordance with the Determination. The responsibility includes the design, implementation and maintenance of internal control relevant to the Company's preparation of the Disclosure Information and the Related Party Transaction Information with the Determination.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* ('PES 1') issued by the New Zealand Auditing and Assurance Standards Board ('NZAuASB'), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

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Other than in our capacity as auditor, the provision of other assurance services, and the provision of taxation services, we have no relationship with or interests in the Company. These services have not impaired our independence as auditor of Wellington Electricity Lines Limited.

The firm applies Professional and Ethical Standard 3 (Amended): *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* issued by the New Zealand Auditing and Assurance Standards Board, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to express an opinion whether the Disclosure Information and the Related Party Transaction Information has been prepared, in all material respects, in accordance with the Determination and the Input Methodologies Determination. SAE 3100 (Revised) requires that we plan and perform our procedures to obtain reasonable assurance that the Company has complied, in all material aspects, with the Determination and the Input Methodologies Determination in relation to the preparation of the Disclosure Information and the Related Party Transaction Information.

An assurance engagement to report on the Company's preparation of the Disclosure Information and the Related Party Transaction Information in accordance with the Determination and the Input Methodologies Determination involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the requirements of the Determination and the Input Methodologies Determination. The procedures selected depend on our judgement, including the identification and assessment of risk of material non-compliance with the Determination and the input Methodologies Determination.

We have performed procedures to obtain evidence about the amounts and disclosures in the Disclosure Information and the basis of valuation in the Related Party Transaction Information. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the Disclosure Information and Related Party Transaction Information, whether due to fraud or error or non-compliance with the Determination or the Input Methodologies Determination. In making those risk assessments, we considered internal control relevant to the Company's preparation of the Disclosure Information and Related Party Transaction Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Inherent Limitations

Because of the inherent limitations of a reasonable assurance engagement, and the test basis of the procedures performed, it is possible that fraud, error or non-compliance may occur and not be detected.

We did not examine every transaction, adjustment or event underlying the Disclosure Information or the Related Party Transaction Information nor do we guarantee complete accuracy of the Disclosure Information or the Related Party Transaction Information. Also we did not evaluate the security and controls over the electronic publication of the Disclosure Information or the Related Party Transaction Information.

The opinion expressed in this independent assurance report has been formed on the above basis.

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Use of Report

This independent assurance report has been prepared solely for the directors of the Company and for the Commerce Commission for the purpose of providing those parties with reasonable assurance about whether the Disclosure Information has been prepared, in all material respects, in accordance with the Determination, and about whether the Related Party Transaction Information has been prepared in all material respects with the Determination and the Input Methodologies Determination. We disclaim any assumption of responsibility for any reliance on this report to any person other than the directors of the Company or the Commerce Commission, or for any other purpose than that for which it was prepared.

Deloitte Limited

Wellington, New Zealand
23 August 2022